

*Town of Onancock*

15 North Street

Onancock, VA 23417

(757) 787-3363 or Fax (757) 787-3309

E-Mail: [onancock@esva.net](mailto:onancock@esva.net)

Mayor: Bruce Paone

Town Manager: Sandra Manter

*Council:*

*Fletcher Fosque*

*Kris LaMontagne*

*Kathyanne Runninger*

*Council:*

*George E. Miles*

*Travis Bradley*

*Maphis Oswald*

07/08/2009

John M. Kennedy

DEQ Office of Water Quality Programs

P.O. Box 1105

Richmond, VA 23218

Dear Mr. Kennedy,

Please accept this letter as a petition from the Town of Onancock for an extension to our deadline for securing a certificate to operate Onancock's expanded wastewater treatment facility (as provided for in HB 2074/SB 1022).

Petitioner: Town of Onancock  
15 North Street  
Onancock, VA 23417  
(757) 787-3363

As the facility operator, the Town of Onancock requests an extension of our current December 31, 2010 deadline for securing a certificate to operate. Onancock's new wastewater treatment facility is currently under construction, but behind schedule due to delays in the release of project funding from the State Revolving Loan Fund and USDA Rural Development, and issues with project subcontractors. The project, which was originally scheduled for completion by March 1, 2010 is now projected for a completion date in mid October. The Town is working with the project contractor and subcontractors to address project delays. However, the given contractor's claim that the project is almost eight months behind schedule, the Town is not confident that this project can be completed in time to secure a certificate to operate by December 31, 2010. The Town of Onancock therefore petitions the State Water Control Board for a one year extension on the deadline to secure a certificate to operate, which would extend the deadline to December 31, 2011.

A copy of the most recent communication from the project contractor regarding project schedule delays is enclosed as supporting documentation for this petition.

Please contact me at 757-787-3363 if there are any questions regarding this petition, or if I can provide any additional information.

Sincerely,



Sandra Manter  
Town Manager

# Galway Bay CORPORATION

P.O. Box 320  
Mount Braddock, PA 15465-0320  
(724)277-4282 / Fax: (724)277-4284

June 26, 2009

Kraig R. Schenkelberg, P.E.  
CDM  
825 Diligence Drive  
Suite 205  
Newport News, VA 23606

RE: Town of Onancock Wastewater Treatment Facility Expansion & Upgrades  
Updated Schedule & Extension Proposal

Dear Kraig:

This letter and corresponding information are in response to the letter from CDM dated 6-23-09, regarding a time extension. After an employee lawsuit was raised against the Town of Onancock, it became apparent to Galway Bay Corporation that the funding and loans for the Onancock project had never been closed. As a result of the lawsuits being filed, loan closings had been postponed pending an outcome of the lawsuits. On February 11, 2009, Galway Bay issued a hold on the Onancock project with key emphasis on project equipment per the Town of Onancock's (Owner's) request. The Town of Onancock was working to finalize project funding, and instructed Galway Bay to hold the project progression until further notice from Sandra Manter (Town of Onancock Representative).

The Onancock project was put on hold until April 1<sup>st</sup>, 2009, at which point Galway Bay was informed by Sandra Manter that the loans had been closed and funding was now in place for the project to proceed. At this time, Galway Bay issued notification to all subcontractors, manufacturers, and suppliers to proceed with project requirements.

As a direct result of the funding issues on this project, Galway Bay and its suppliers incurred delays. These delays directly impacted the progress of the project, and thus the project completion scheduled for January 29<sup>th</sup>, 2010. Galway Bay has provided an updated schedule to reflect the project standing after these delays. Since GE/Zenon's equipment is the critical path of this project, Galway Bay has incorporated their schedule which indicates key milestones in the submittal process, as well as projected equipment fabrication and delivery dates.

As you will discern from the updated schedule, the project completion has been pushed to mid October 2010. Both Galway Bay and GE Infrastructure have agreed to accelerate the project in any way possible to improve the schedule and completion date. Galway Bay understands that CDM will work with all involved parties in an attempt to accelerate the review process, thus assisting to improve projected schedule dates. However, as the project schedule currently stands completion is anticipated to be mid October 2010. Therefore, the time extension requirements are reflected in the updated schedules. Galway Bay reserves the right of compensation for the cost increases incurred due to the delays and time extension of this project. If you have any questions with regard to this matter please feel free to contact me.

Sincerely,  
  
Trudy K. Savage  
Project Manager



## GE Infrastructure Water & Process Technologies

Rodd Rayner  
Project Manager

29 Royal Road  
Guelph, Ontario N1H 1G2  
CANADA

T 519 829 4347  
F 519 837 3067  
rodd.rayner@ge.com

6.18.2009

RE: Onancock / Galway Bay Schedule

Trudy, Greg,

The current GE schedule (revision 6.8.09) shows some of the direct delays in this project to date. I hope herein to further clarify the impact of such delays in hopes of preventing them in the future.

Delays in drawing return do not result in a day for day slip. We schedule our resources (i.e.: drafting, engineering) based on our expected return dates. When a submittal comes back late we miss our window of opportunity and resources become otherwise engaged. Timely returns allow us to schedule our resources accurately, thereby, giving us the ability to respond quickly.

Most importantly a project on hold results in a complete reassignment of resources. Engineering, drafting, project management, and all supporting resources are fully utilized at all times. A project on hold is a project no longer assigned. The removal of a hold causes delays beyond the duration of the hold itself. It may take weeks to shift resources around to accommodate a reinstated project.

Moving forward, the same situation holds true for our production resources. We need to ensure that we hold closely to the scheduled dates thereby ensuring that we have the production capacity to build the equipment in the time allotted.

This being said, I look forward to our continued partnership to bring about the successful completion of this project.

Sincerely,

Rodd Rayner  
Project Manager